



VAJIRAM & RAVI
Institute for IAS Examination

The Analyst

CURRENT AFFAIRS Handout

23rd January 2026



CONTEXT: Data localisation requirements and compliance timeline

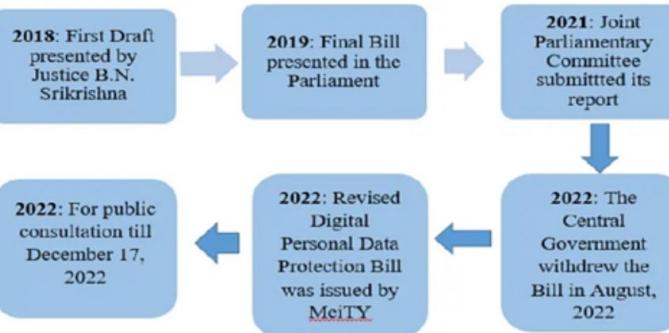
Data Protection Law

Why does data matter?

- preference, online behavior, personal data - name, bank
- misuse - profiling, studying and altering citizen behavior - privacy, anti-competitive practices, national security
- CoWin Data breach, Meta fined

Who handles data, and how?

- Stored in a physical space and transported in underwater cables
- Entities - to delineate responsibility
- Data flows determine access, profits, taxes, owner



DPDP Act, 2023

- Section 2 – Definitions**
 - Data Fiduciary
 - Data Principal
 - Data Processor
 - Personal Data Breach
- Section 3 – Application of Act**
 - Within and Outside India
 - Exemptions
- Section 6 – Consent**
 - Freely given, specific
 - Withdrawable
- Section 7 – Certain Legitimate Uses**
 - Processing without consent
- Section 8 – General Obligations of Data Fiduciary**
 - accuracy and completeness

- Safeguards, inform if breach
- storage limitation
- Section 9 – Children's Data Processing**
- Section 10 – Significant Data Fiduciary** Additional compliance requirements
 - Data Protection Officer
 - independent data auditor.
 - periodic Data Protection Impact Assessments
- Section 11 – Right to Access**
- Section 12 – Right to Correction/Erasures**
- Section 13 – Right of Grievance Redressal**
 - Internal complaint mechanism
- Section 15 – Duties of Data Principal**
 - not impersonating
 - not suppressing material information
 - not registering false/frivolous complaints
- Section 16 – Cross-Border Data Transfer**
- Section 17 – Exemptions**
 - legal rights/claims
 - judicial, quasi-judicial, regulatory, or supervisory functions
 - prosecution of offences
- Section 18 – Data Protection Board**
 - Section 27 – Board's Powers/Functions
- Section 38 – Prevails over conflicting laws**



CONTEXT: Data localisation requirements and compliance timeline

Data Localisation

For data localisation

- Law-enforcement – treaties
- Foreign attacks and surveillance, data sovereignty
- Tax Internet giants.
- Domestic-born technology companies
- Compliance

- Data Protection Board – statutory, appointments
- No right to be forgotten
- Verifiable consent – age, implications for anonymity, child definition
- No compensation
- Splinternet
- Protectionism may backfire

Case against data localization

- Cost intensive
- Possible misuse by the state – authoritarian
- Trade distortive – U.S. criticised
- Discouraging investments
- Domino effect – FTAs
- Definition of data misuse – scales from profiling to national security.

Data Protection Law

Suggestions for Improving Data Protection Framework

- **Digital Literacy**
 - PwC India survey
 - Beyond relying on informed consent
 - Awareness and Education Campaigns
- **Reform Consent Mechanisms**
 - Concise, easy privacy notice summary
- **Regulate AI and Automated Decision-Making**
 - Mandate disclosure if AI processing
 - Inform their rights, logic involved, potential consequences
 - Mandate Algorithmic Impact Assessments

DPDP Act

Issues with DPDP Act, 2023

- Exemptions to State on broad grounds – proportionality – interception – *PUCL vs Union of India* – safeguards: necessity, purpose, storage
- Differential treatment to private entities
- UK data protection law safeguards



CONTEXT: Data localisation requirements and compliance timeline

Data Protection Law

- Obligations to prevent unfair bias/discrimination
- **Expand Oversight and Compliance Obligations**
 - DPIA requirements to non-significant Data Fiduciaries
 - Threshold for "Significant Data Fiduciary"
- **Data Protection Board Proactive Powers**
 - *suo moto* powers
 - Random audits
 - International cooperation, policy advice
- **Timely Grievance Redressal**
 - Legally mandated maximum timeframes
- **Accountability & Certification**
 - Voluntary certification scheme

EU model - GDPR

- right to privacy -FR - individual's dignity, right over the data - stringent

USA model

- "liberty protection" - individual's personal space
- no comprehensive set of privacy rights or principles - limited sector-specific

MAINS PRACTISE QUESTION

Discuss the salient provisions of the Digital Personal Data Protection Act, 2023. Highlight its shortcomings and suggest ways to improve the data protection framework in India.

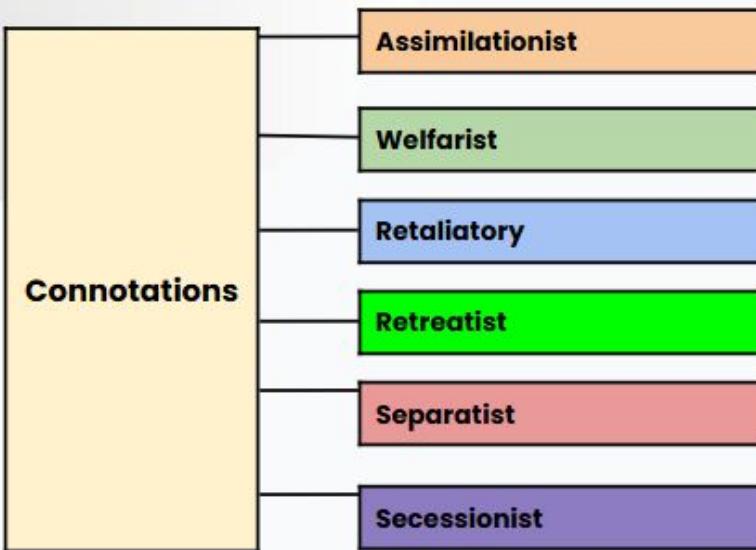


Communalism



CONTEXT: A spate of communal violence in Odisha

Basics



Stages

- Foundation of Communal Ideology
- Dissimilarity of Interests
- Mutual Incompatibility

Communalism

Evolution in India

- British Gift to India
 - Divide and Rule
 - Partition of Bengal
 - Communal Award of 1932
 - Appeasement by British – Sir Syed Ahmed Khan
- Socio Economic
 - Language, culture, social status
 - Educational & Economic disparities
 - Delayed political consciousness
- Role of Communal Authors
 - Distorting Medieval Conflicts
 - Not acknowledging composite culture
- Side Effect of Socio Religious Movements
- Political & Other Vested Interests



Communalism



CONTEXT: A spate of communal violence in Odisha

• **Manifestations**

- 1947: Partition of India
- 1984: Anti Sikh Riots
- 1989: Kashmiri Pandits
- 1992: Babri Masjid demolition
- 2002: Godhra riots
- 2012: Assam Violence
- 2013: Muzaffarnagar riots
- 2017: Hadiya Case
- 2020: North East Delhi Riots

Suggestions

- Social Harmony
 - Interfaith Dialogues
 - Cultural Exchange Programs
- Economic Measures
 - Address Economic Inequalities
 - Employment
 - Sachar Committee
- Political Accountability
- Media Monitoring – hate speech, misinformation
- Remedial Measures
 - Addressing Historical Injustices
 - Promoting Secular Indian Ethos
 - Value Education & Countering Radicalization
 - Laws for Communal Violence & Mob Violence
 - UCC consultations

MAINS PRACTISE QUESTION

Communalism in India has evolved from a colonial construct to a contemporary political challenge. Examine its causes and suggest measures to curb communal tendencies.



SYLLABUS : GS 2 Paper : Effect of Policies and Politics of Developed and Developing Countries.

Newspaper: The Hindu **Page Number:** 10

Board of Peace

Why India Should Join Board of Peace

- Recognition of Global Stature
- Strategic Engagement
- Shape Gaza's Future
- Economic Opportunities
- Commitment to Palestinians
- Diplomatic Alignment with Partners
- UNSC Endorsement
- Avoid Isolation in Key Forum
- Influence Board Dynamics
- Flexible Terms: representation by a high-ranking official, an exit clause

Why India Must Not Join Board of Peace

- Betrayal of Anti-Colonial Legacy
- Lack of Palestinian Consent
- Erosion of Strategic Autonomy
- Risk of Blame and Limited Influence
- Fracture of Global South Trust
- Confusion of Pacification for Peace
- Contradiction of Constitutional Morality
- Undermines Palestinian Agency
- Better Alternatives Exist
- Preservation of Moral Authority

Decoding the News

Trump's Strategy

- **Escalatory Opening Gambit:** extreme public rhetoric and threats
- **Deliberate Spectacle & Stakes-Raising:** berated Zelenskyy
- **Forced Reaction & Coalition Building:** "Coalition of the Willing" for Ukraine
- **Symbolic Defiance from Targets:** Europe increased defense supplies to Ukraine
- **Intermediary Wooing:** NATO's Mark Rutte defended Trump's "strong language"
- **Claim Victory Through Deal-Making:** "framework of a future deal" for Greenland
- **Resource & Strategic Objectives**
- **Demonstration of Power Politics:** message to major powers
- **Erosion of Norms:** "the strong do what they can, and the weak suffer what they must"



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Decoding the News

India, on Thursday, skipped the U.S. President Donald Trump-led “Board of Peace (BoP)” charter announcement held in Davos, although the government is said to be still discussing the invitation to Prime Minister Narendra Modi to join it. The BoP is part of the Trump administration’s Phase 2 of the Gaza Peace Proposal, which is also meant to help resolve the Israel-Palestine conflict through talks on a two-state solution. This was cleared unanimously by the UN Security Council (Russia and China abstained) in November 2025 after an Israel-Hamas ceasefire. There are some reasons for India to seriously consider joining the BoP, as about 20 countries already have. India has been a principled supporter of the Palestinian cause, and a consistent provider of humanitarian assistance,

Mr. Trump has appointed himself as chairman, with friends and family on the executive board, and the charter proposes to extend the BoP to other conflict-resolution ventures, suggesting that it would seek to supplant the UN. Second, while the board will appoint Palestinian technical experts, it does not include the Palestinian leadership, an affront to countries that have recognised Palestine. That Mr. Netanyahu, accused of genocide by UN agencies should be included, but not the Palestinian President, adds to that injustice. For India, Pakistan’s decision to join the board is a red flag, particularly if Mr. Trump decides to include the Kashmir dispute to the BoP’s peace plans. The BoP’s 2-tier membership, offering “permanent” membership for a “fee” of one billion dollars is another red flag. It would also be difficult for India to cavil at its troops joining the International Stabilization Force, a non-UN initiative. Without clarity, members will only be rubber stamps to Mr. Trump’s arbitrary and often illegitimate diktats on the future of Palestine. New



SYLLABUS: Prelims: GS 3 Paper Indian Economy

Newspaper: The Indian Express **Page Number:** 13

Draft NEP, 2026

- **Resource Adequacy (RA):**
 - DISCOMs and SLDCs to prepare RA plans at utility and state levels
- **Financial Viability & Economic Competitiveness:**
 - Tariffs linked to a suitable index
 - Progressively recover fixed costs
 - Exemption of cross-subsidies and surcharges
 - Strengthening of dispute resolution mechanism
- **Renewable Energy Generation & Storage:**
 - Capacity addition
 - Trading of surplus energy
 - Parity between RE and conventional sources
 - Microgrids
 - Market-based deployment of BESS

- **Thermal Generation:**
 - Location of new coal plants
 - Repurposing of older units
 - Direct utilization of steam
- **Nuclear Generation:**
 - SHANTI Act, 2025: advanced nuclear technologies, SMRs, 100 GW by 2047
- **Hydro Generation:**
 - Storage-based hydroelectric projects for flood moderation, irrigation, and water as well as energy security
- **Power Markets:**
 - Regulatory framework for market monitoring and surveillance
- **Transmission:**
 - Parity of transmission tariff by 2030
 - Right of Way

- **Distribution:**
 - Single-digit AT&C losses
 - Shared distribution networks
- **Grid Operations:**
 - Tariff based competitive bidding
 - Alignment of State Grid Codes with Indian Electricity Grid Code specified by CERC
- **Cybersecurity:**
 - Mandatory storage of power sector data within India
- **Data Sharing:**
 - Real-time visibility of Distributed Energy Resources to DISCOMs and SLDCs
- **Technology:**
 - Development of domestic software solution



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Decoding the News

Electricity Policy (NEP) signals a clear policy shift — a strong pivot to nuclear power as a potential substitute for coal-based thermal generation.

NEP 2026: Fine prints

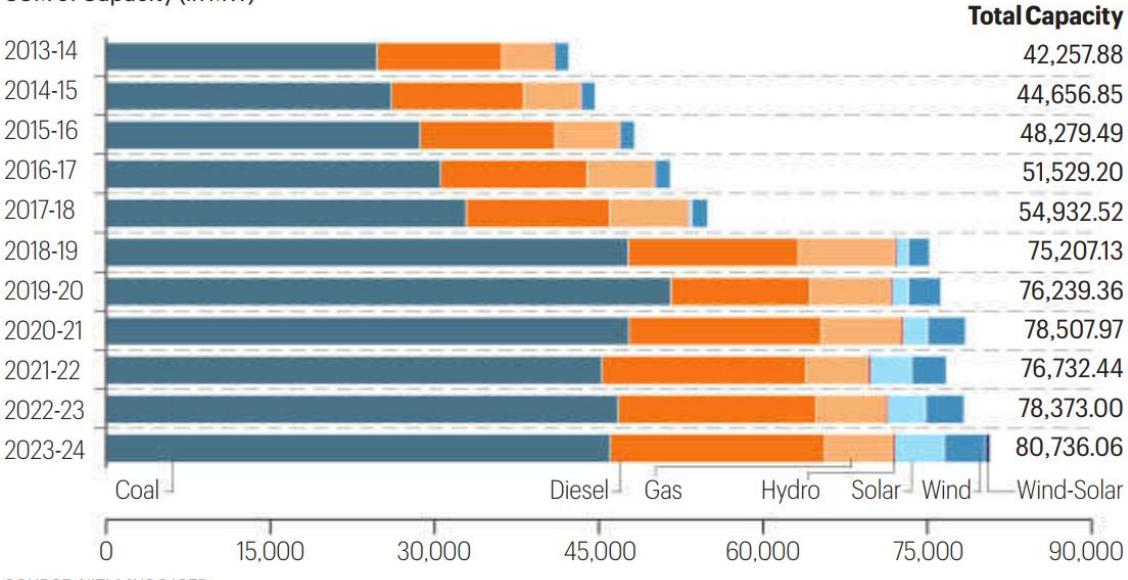
The draft sets out ambitious demand-side targets, projecting per capita electricity consumption to rise to 2,000 kWh by 2030 and over 4,000 kWh by 2047, reflecting the scale of power de-

mand expected from a growing economy. It ties this growth to India's climate commitments, underscoring the need for a decisive shift towards low-carbon energy pathways. The policy places a strong focus on the financial health of distribution companies (discoms).

"NEP 2026 seeks to restore financial health of the discoms by promoting cost-reflective tariffs, timely cost pass-through, and reduction of AT&C losses," the

• Installed capacity of captive source: 2013–2024

SUM of Capacity (in MW)



SOURCE: NITI AAYOG ICED



SYLLABUS: GS 4 Paper: ETHICS

Newspaper: The Indian Express **Page Number:** 10

Background

Media Ethics

- Truth & Accuracy
- Objectivity & Fairness
- Respect for Privacy & Dignity
- Accountability to the Public
- Independence & Integrity

Why Needed

- Breaking-News FOMO
- Going Viral on social media
- Trust Deficit in Institutions
 - a. 2024 Reuters Digital News Report
- Infotainment & TRP Pressure

Reasons for Decline in Media Ethics:

- Commercialisation
- Weak Self-Regulation
- Competitive Paparazzi Culture
- Political & Corporate Influence
- Audience Fatigue & Normalisation

Solutions

- Strengthen Self-Regulation
- Ethics Training
- Transparency & Accountability
- Digital & Paparazzi Guidelines
- Media Literacy for Citizens

Decoding the News

IT'S TELLING — and disquieting — that nearly 60 per cent of the orders passed in the last three years by the News Broadcasting & Digital Standards Authority (NBDSA) were against programmes that violated its ethics code on communal harmony. An analysis of the NBDSA orders since 2023 in this newspaper points to a brutish and cynical race to the bottom in a time of churn. Faced with intensifying competition in a far more crowded and fragmented media landscape than before, television channels and digital broadcasters have chosen the path of maximum shrillness and least resistance, becoming megaphones of the powerful — and the hateful. In the social media age, where no one needs a TV studio to broadcast to the world, they are trying to mimic its worst aspects. Because it rewards extremes, outrage and spectacle, channels and platforms are jostling each other to abandon responsibility and to frame news in ways that purvey divisive spectres and stereotypes.

There are high costs of this abdication. There is an unchecked sharpening of polarisation and shrinking spaces for deliberation and dialogue. In a plural and diverse democracy constitutionally committed to protecting the freedom of citizens to profess, practise and propagate their religion, this backsliding is worrying. But the price must be paid not just in terms of the fraying of the larger promise of democracy. It must be paid, too, in terms of an erosion of trust in the very institution that these channels and platforms claim to be part of. Their pursuit of viewership at all costs erodes their own — and the media's — credibility. This is visible, today,



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Newspaper: The Indian Express **Page Number:** 11

Bose

Early Life & Career

- 4th position in ICS exam, resigned in 1921
- As Mayor of Calcutta
- Political guru: Chittaranjan Das.

Political Views

- Non pacifism
- Anti imperialism
- Socialism
- Secularism
- Anti-Compromise Conference (March 1940) - Joint effort by Forward Bloc & Kisan Sabha
- International Collaboration

Escape & Exile

- Left India for external support in the struggle
- January 1941, reached Peshawar
- Initially sought Russian help
- Moved to Germany, met Hitler using pseudonym Orlando Mazzotta
- Formed Freedom Army (Mukti Sena) with POWs - Headquarters in Dresden, Germany
- Popularized the slogan 'Jai Hind.'
- Regular broadcasts from Berlin radio
- 1943: reached Japan and then Singapore
- Took command of INA from Rashbehari Bose

Netaji's Death and Remains

- Died on August 18, 1945, after a plane crash in Taipei - remains taken to Tokyo
- Urn kept at Renkoji Temple, hidden from US forces
- Remains still honored at Renkoji Temple

Speculations & Investigations

- Multiple theories about his death or escape after the crash
- Investigations kept classified for decades
- Three Indian inquiries in 1956, 1979, and 1999
- Ten reports confirmed Netaji's death in 1945
- Justice Mukherjee Commission (1999) inconclusive, flawed with errors



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Decoding the News

dian Civil Service to dedicate himself to India's liberation. For him, freedom was a sacred duty.

A profound insight into Netaji's personality comes from a remarkable tribute by Gurudev Rabindranath Tagore in 1939. He hailed Subhas Chandra Bose as *deshnayak* — the leader of the nation. Gurudev observed that in troubled times, a country needs the strong hand of an inspired and valiant leader. In Netaji, he saw a rare fusion of courage, vision and moral force.

When conventional paths appeared inadequate to achieve Independence, Netaji charted his own course, transforming the freedom struggle into an international movement through the Indian National Army. He asserted, "There is no power on earth that can de-

In a stirring address at the Padang in Singapore in 1943, Netaji urged women to join the struggle, declaring that this must be a truly revolutionary army. His words deeply moved Tamil Indian women in Malaya, many of whom had endured hardship on rubber plantations. Despite having never seen India, nearly a thousand of them volunteered for the Rani of Jhansi Regiment.

While the bravery of Lakshmi Swaminathan (Captain Lakshmi Sahgal) is widely recognised, the contributions of Janaky Thevar, Anjalai Ponnum Samy and Rasammah Bhupalan are equally inspiring. Janaky Thevar, only 14 when she first heard Netaji speak, donated her diamond earring to the INA and later rose to a senior leadership position in the Rani of Jhansi Regiment.



Limits of Household Stability



SYLLABUS: Prelims: GS 2 Paper : Indian Express

Newspaper: The Hindu **Page Number:** 12

Decoding the News

A Misleading Comfort: The Household Debt Picture

- RBI's Financial Stability Report
 - a. Household debt at 41.3% of GDP (March 2025)
- Lower than China, Malaysia, Thailand
- Increase gradual: ~36% of GDP (mid-2021)
- No excessive leverage
- **Limitation:** Debt-to-GDP ratios don't explain why households borrow or their repayment capacity

Credit as a Cushion: The Shift in Borrowing Purpose

- Weak/uneven real income growth (RBI Annual Report 2024-25)
- Borrowing to close income-expense gaps, not to finance asset creation
- Debt is substituting for income growth and savings, not complementing them

The Stress Beneath Aggregate Stability

- Household financial liabilities (41.3% of GDP) << gross financial assets (106.6% of GDP)
- Net financial savings volatile and compressed
- Volatility as financial liabilities accumulating faster than assets
- **Implication:** Headline wealth grows, but the financial buffer against shocks (job loss, income loss, rising rates) is deteriorating



Limits of Household Stability

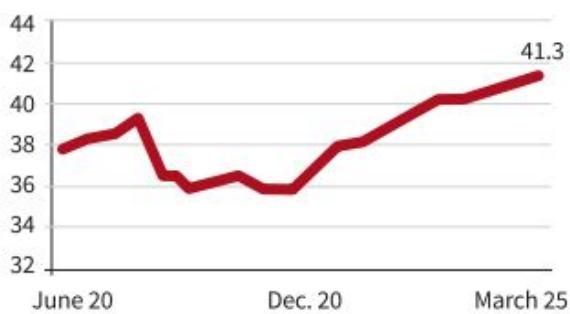
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Decoding the News

Chart 1.45 A*: Household debt has risen steadily, reflecting greater reliance on borrowing

India's household debt
(Per cent of GDP)



*The RBI's Financial Stability Report's Chart 1.45 is frequently used to support the claim that India's household sector is financially stable.

Chart 1.50 A

Savings have turned volatile as liabilities grow faster than assets

■ Change in financial liabilities
■ Change in financial assets

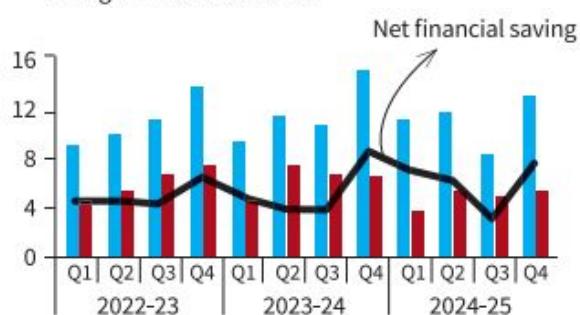
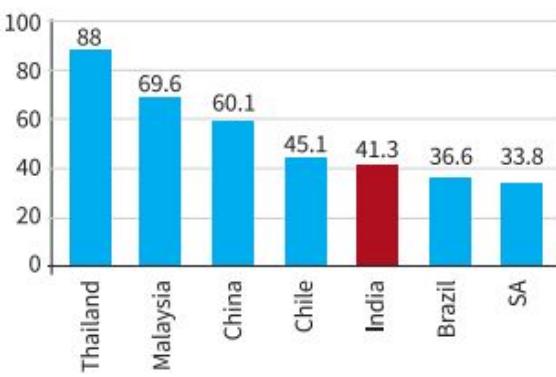


Chart B: India's debt remains low versus peers, but this comparison masks domestic stress

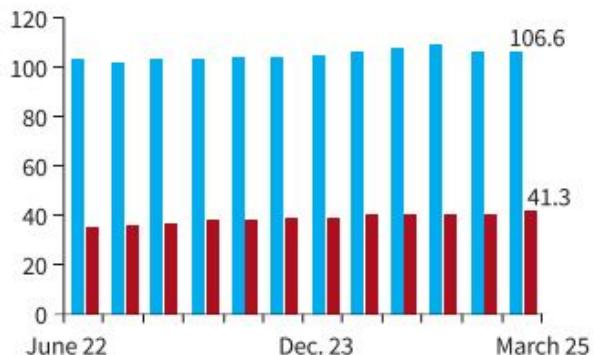
Household debt of EMEs (March 2025)
(Per cent of GDP)



■ Household debt was 41.3% of GDP as of March 2025, far lower than levels observed in many emerging market peers

Chart C: Assets exceed liabilities, but household financial buffers are thinning

■ Financial assets ■ Financial liabilities



Limits of Household Stability

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Decoding the News

Why Households Are Borrowing More: The Policy Shift

- Fiscal/policy configuration transferring risk from the State to households
- **State Governments:** Prioritizing capital expenditure while limiting revenue expenditure
 - Committed expenditures (interest, pensions, salaries): 30-32% of state revenue receipts
 - Little room for income support or countercyclical transfers
- **Union Government:** Continued emphasis on public investment
 - Capex budgeted at ₹11.2 lakh crore (Budget 2025-26)
 - Effective capex at ₹15.5 lakh crore
 - Enhances medium-term growth potential

The Macro Risk Hiding in Plain Sight

- Private consumption (~60% of GDP)
- Risk from interaction of 3 trends
 1. **Uneven Income Growth:** outside formal, high-productivity sectors
 2. **Thin Financial Cushions:** Expansion of unsecured retail credit sustains consumption
 3. **Volatile Savings:** Liability accumulation offsets asset formation

Imperatives for Union Budget 2026

- Fiscal discipline and investment-led growth?
- Stability reliant on household borrowing to maintain demand is not self-sustaining
- **Imperatives:**
 - Create demand and more labour-intensive employment
 - Align fiscal outcomes towards increasing average incomes
 - A marginal income increase can:
 - Help service debt
 - Higher savings over the longer term



Daily Quiz

Q1. With reference to the proposed “Board of Peace”, consider the following statements:

1. It is proposed as an advisory body to facilitate peace negotiations in major global conflicts.
2. It is intended only to include leaders from countries directly involved in ongoing wars.
3. The Board was envisaged to function under the United Nations framework.

How many of the above statements is/are correct?

- a) Only One
- b) Only Two
- c) All Three
- d) None

Answer: a

Q2. With reference to the Electricity Policy (NEP) 2026, consider the following statements:

1. The policy signals a shift towards nuclear power as a potential substitute for coal-based thermal generation.
2. It projects India's per capita electricity consumption to exceed 4,000 kWh by 2030.
3. The policy links India's electricity demand growth with its climate commitments and low-carbon energy transition.
4. It emphasises improving the financial health of electricity distribution companies (DISCOMs).

How many of the above statements is/are correct?

- a) Only One
- b) Only Two
- c) Only Three
- d) All Four

Answer: c

Q3. With reference to Subhas Chandra Bose, consider the following statements:

1. He secured the 4th position in the Indian Civil Services (ICS) examination and resigned from it in 1921.
2. He served as the Mayor of Calcutta and was politically mentored by Chittaranjan Das.
3. He was a strong advocate of pacifism and constitutional compromise with British authorities.
4. The Anti-Compromise Conference of March 1940 was a joint effort of the Forward Bloc and the Kisan Sabha

Which of the statements given above are correct?

- a) 1 and 2 only
- b) 2, 3 and 4 only
- c) 1, 2 and 4 only
- d) 1, 3 and 4 only

Answer: c

Q4. With reference to household debt in India, consider the following statements:

1. Household debt as a percentage of GDP has increased gradually since 2021.
2. India's household debt-to-GDP ratio is higher than that of China and Malaysia.
3. Household liabilities are growing faster than household financial assets.

Which of the statements given above are correct?

- a) 1 and 2 only
- b) 2 and 3 only
- c) 1 and 3 only
- d) 1, 2 and 3

Answer: c

Q5. With reference to the growth of communalism in India, consider the following statements:

1. Colonial policies such as Divide and Rule and the Communal Award of 1932 contributed to the evolution of communalism.
2. Socio-economic factors like educational and economic disparities played a role in strengthening communal identities.
3. Communalism in India emerged only after Independence as a result of post-Partition violence.

Which of the statements given above is/are correct?

- a) 1 only
- b) 1 and 2 only
- c) 2 and 3 only
- d) 1, 2 and 3

Answer: c





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